



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

*Minutes*

The meeting was called to order at 9:11 AM by Mike Hoffman

### Attendees:

1. Mike Hoffmann, ISCC
2. Tony Bennett, ISCC
3. Jerry Nicolescu, ISCC
4. Carol Youtz, ISCC
5. Brian Oakey, ISDA
6. Senator Kate Kelly, District 18
7. Randy Purser
8. Wayne Newbill, OnePlan Coordinator
9. Claude Bruce
10. Richard Hampton, Professor Oregon State University
11. Jane Wittmeyer, Intermountain Forests
12. Jay O'Laughlin, Director of Public Policy Analysis -- U of I
13. Paul Mann
14. Sue Chew, BSU Biology Department
15. John Crockett, IDWR Office of Energy Resources
16. Robert Wilcosz, DEQ
17. Jackie McCloughan, Idaho Transportation Dept
18. Don Bueller
19. Richard (Tiny) Furman, Idaho Dept of Lands
20. Sian Mooney, Professor of Economics -- BSU
21. Roy Jost, Idaho Transportation Dept
22. Karl Bokenkamp, Idaho Power

## Reports

---

**Senator Kate Kelly** was introduced by Tony Bennett. She gave a report on the Legislative perspective for sequestering and trading carbon.

Senator Kelly has served on the Senate Ag Committee for the last three sessions. Her impression is that a lot of legislators do not understand carbon sequestration, or the carbon trading concept. Education is the key to assure legislative support. The members of the Advisory Committee and other attendees at this meeting all understand what an opportunity this is for both the environment and the Idaho economy.

Senator Kelly also serves on the Energy Committee, and recommends we access their report on the senate website. Information regarding this website is listed below:



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society

2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

Minutes

---

### **Energy, Environment and Technology Interim Committee**

*Sen. Curt McKenzie, Co-chair*

*Sen. Patti Anne Lodge*

*Sen. Tom Gannon*

*Sen. Mike Jorgenson*

*Sen. Russell Fulcher*

*Sen. Elliot Werk*

***Sen. Kate Kelly***

*Rep. George Eskridge, Co-chair*

*Rep. Maxine Bell*

*Rep. Bert Stevenson*

*Rep. Bob Nonini*

*Rep. Ken Andrus*

*Rep. Eric Anderson*

*Rep. Elaine Smith*

*Rep. Wendy Jaquet (Ad Hoc)*

*Rep. Mark Snodgrass (Ad Hoc)*

*Staff: Mike Nugent, Paige Parker, Toni Hobbs*

#### [Scheduled Meetings](#)

#### **Meeting Minutes:**

[August 21, 2007](#)

[October 25, 2007](#)

[2007 Idaho Energy Plan](#) - January 26, 2007

[Draft 2007 Idaho Energy Plan](#) - January 19, 2007

---

Governor Otter issued an Executive Order on GHG (greenhouse gas) emissions last May, so people are already thinking about the environment and their “carbon footprints”.

Senator Kelly also reported that we probably won’t see much legislation this 2008 session. Climate change is still seen as not caused by people – much more education is needed. There may be a couple of resolutions, such as target fuel emission. Energy-efficient bills for schools might be introduced, and will probably be passed.



## IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

### Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

### Minutes

She also mentioned that the moratorium on building new coal-fired power plants is about to expire. The argument for increasing the use of nuclear energy fits into the issue as a green, environmentally-friendly way to produce electricity. Owyhee County currently has an interest in a privately-owned commercial nuclear plant.

#### Question from Paul Mann:

***How can we educate legislators?***

#### Sen. Kelly's response:

*NOT during the session – use the off-times to contact lawmakers. There is a glut of information, and not enough hours in the day for the legislators to process it all. **E-mail is the best way to communicate to lawmakers** – telephone calls will probably not be returned during the busiest times of the session. There is simply not as much opportunity for one-on-one contact with legislators as there has been in previous sessions. Internet access will be enhanced for budget committee meeting, and there will be a direct feed broadcast on the local cable channels,*

#### **ROBERT WILCOSZ – Department of Environmental Quality (DEQ)**

##### *Report on emissions inventory*

Toni Hardesty (DEQ) has assigned half of one full-time employee's (FTE) time to assist Robert with GHG and the State Implementation Plan; the second half of the FTE's time is assigned to work with ISDA on field-burning issues.

Robert is eager to reignite his efforts on the Carbon Sequestration Advisory Committee, and referred to the Governor's Executive order on GHG, issued in May 2007.

The challenges of communicating these ideas to lawmakers are addressed in a presentation entitled CLIMATE CHANGE AND BEYOND, prepared by Robert and DEQ Director Toni Hardesty. Our task is to work with different views and attitudes to get the word out to both legislators and the general public. Regardless of where people live, we should strive to all work together, since we all use the same air, water, light, and soil.



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society

2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

*Minutes*

### **OBJECTIVE 1:** *Develop a GHG inventory*

The inventory that was compiled for the Carbon Sequestration Advisory Committee was the best effort at the time, but moving forward we'll be doing things differently.

The *Western Governors' Committee* prepared a more comprehensive GHG inventory, which is available to us at:

[http://www.westgov.org/wga\\_reports.htm](http://www.westgov.org/wga_reports.htm)

How can we put this in common, understandable terms? An analogy would be that the first GHG report was a Ford Escort, the second will be a Ford pickup, and we'd like a finely-engineered vehicle by 2008. That's when the Federally-mandated ***Periodical Mission inventory*** for all air quality agencies must be completed. North Carolina has already dedicated 15 FTEs to this effort.

### **OBJECTIVE 2:** *Prepare, distribute, and analyze data from an online survey of State Employees*

Seventeen State Agencies have been asked to respond to the online survey, which will gather information on employees' transportation habits, home and workplace energy practices, use of public transport, etc. Telecommuting only two days per week will prevent the release of over 1500 pounds of carbon per household per week. Dec 7 is the completion date for this survey.

### **OBJECTIVE 3:** *Coordinate the agencies to work together, share information, learn about best management practices that others have used, etc.*

### **OBJECTIVE 4:** *After the completion of Objective 1, prepare action plans and recommendations from DEQ of how to proceed*

The Climate Registry (<http://www.climateregistry.org/ABOUTUS>) is a voluntary data warehouse started in California to track GHG. Idaho would be the 38<sup>th</sup> State to join the Registry.

***Q: Who is doing the inventory work?***

***A: A consultant, working under contract***

# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd  
Boise, ID 83712-8250

9:00 AM – 3:00 PM

### Minutes



If the Committee members can articulate how the current GHG inventory is NOT meeting our needs, DEQ could modify the format. Some farmers have questioned the default carbon values of certain crops.

#### **BRIAN OAKEY: 25X25 Council**

Brian's first introduction to Carbon Sequestration occurred during his second year of law school. Agricultural Law is his interest, and he got in at the ground level in Iowa in the late 1990s. Iowa was ahead of its time 6-7 years ago. From today's Ag perspective, trading carbon credits may import some money into the Idaho economy. Farmers and ranchers may be able to benefit financially, and the environment can be improved through best management practices.

When the Governor's Office asked him to serve on the Carbon Sequestration Advisory Committee, Brian lived in Eagle. The commute became more and more time-consuming. Brian moved his household to Boise, into Senator Kelly's District. Telecommuting has recently been encouraged at ISDA, and the Department is seeing some increased use. Many opportunities are available for decreasing the amount of energy we use daily. Growing pains are inevitable.

The 25x25 Council was created in Jan 2007 by Governor Otter. The directive was to piggyback on the national program to have 25% of Idaho's energy output and consumption provided by renewable/alternative energy sources by the year 2025.

The subcommittee reported back to the Council in July 2007. Two methods to create a baseline were introduced:

1. Based on energy usage, 19% of the energy produced currently in Idaho is from renewable/alternative resources (*hydropower, geothermal, wind farms, biomass production and processing, etc.*)
2. Amount of energy used to create an energy-usage 17.2%

The Council voted to take the lower estimate of 17.2% to use as a baseline for improvement. We need to create an inventory of renewable energy resources in the State:

- Are there existing work groups already?
- Can the 25x25 Council help facilitate working groups for hydro, wind, geothermal, etc.

# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd  
Boise, ID 83712-8250

9:00 AM – 3:00 PM

*Minutes*



The next meeting is scheduled for Jan 2008. The 25x25 Council is soliciting input from other stakeholders to guide policy-making decisions. We import two billion dollars worth of fossil fuels into Idaho each year. Need to develop a plan to reduce or replace the importation and consumption of fossil fuels with renewable/alternative sources. The increased interest in ethanol use has created ideas in the Ag industry. Is the development and production of biomass carbon-efficient, and is it sustainable? Iowa already has 67 ethanol plants in production. Unprecedented price increases in corn and barley are a result of using these harvests to produce ethanol. Idaho has a great opportunity to position ourselves to take advantage of using our forest and agricultural crop residues for ethanol production. Biomass production could be expanded in Idaho. Hydropower is already working at peak efficiency in the State.

Brian was recently traveling on business and, during his trip, listened to an NPR Radio segment on GHG emissions. Naively, Brian thought vehicle emissions were the biggest producer of greenhouse gasses. However, NPR's perspective focused on a societal shift, including the burgeoning size of American homes, increased use of bottled water, purchase and use of multiple electronics, and just STUFF. All these consumer goods are a considerable source of new carbon-based emissions. In terms of education, we could be less consumptive and more environmentally-friendly.

### *Discussion from the floor generated by Brian Oakey's report:*

---

**Q: Is there an FTE for the 25x25 Council?**

**A:** Jerry Ward, from ISDA's Marketing Division, is leading the work on ISDA's portion of the 25x25 Council, and well as REDIFit and other ongoing Marketing projects

**John Crockett** -- Idaho used the least amount of ethanol of any reporting State – we need to increase this. Cheaper fuel is usually better. Increased use of biomass could be a great economic opportunity for Idaho farmers and foresters.

**Randy Purser** cautioned against dismissing Idaho's geothermal sources – Is there room for expansion? Brian would like a representative from Geothermal to attend a meeting with the 25x25 Council to see about expanding geothermal capabilities in Idaho. Randy also opined that if biodiesel were made locally, we'd use more of it.

**Jane Wittmeyer** – Is there a venue for foresters to sell their excess forestry products to produce ethanol? Brian will look into uses for cellulose.

**Claude Bruce** – Landfills can be a source of biomass. **Plasma gasification** technology has the potential to convert the landfill waste to energy.





# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society

2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

*Minutes*

**John Crockett** – Ada County is collecting methane from landfills already.

**Per Brian**, many consulting groups are interested in plasma gasification technology – the Athena Group spoke to the 25x25 Council. Athena has established a research group to develop and market renewable energy, including using the dairy sector to develop energy from dairy waste (methane, etc) with anaerobic digestion and other methods.

**Jay O’Laughlin** – is there a website to access this information? Per Brian, ISDA’s website will soon (sometime in December) have reports available from the 25x25 Council, including pie charts and other graphs. Approximately 11.4% of Idaho’s baseline energy is produce by hydropower. The output from the Hell’s Canyon dam has to be shared with the State of Oregon.

**Question to Paul Mann** – is there any development in the sugar sector for ethanol? Per Paul – since sugar beets are 80% water, this crop is not terribly efficient for producing ethanol, Corn will be imported to Idaho dairies, and some of those byproducts can be used to make ethanol. As stated earlier in the meeting, the ethanol plant in Burley, Idaho is currently using dairy waste to make their product.

**Dick Wittman**, representing the Pacific Northwest Direct Seed Association (PNDSA), joined the meeting via conference call, and presented a PowerPoint presentation to the group, which will be distributed to all attendees via e-mail. More information on this Association can be found on their website at <http://www.directseed.org/> or at <http://www.wittmanconsulting.com/>

### **Activities of PNDSA –**

**PRECISION AG PROJECT** *(A pilot project with test plots using variable rate application, etc -- This \$75,000 project involves growers in three Northwest States.)*

Wheat growers are very active and eager to participate. Corn and soybean farmers are less enthusiastic, but are coming around. William Roan (a farmer in Montana) spoke to Senator Lieberman about why agriculture needs to be a part of carbon trading and sequestration. Mr. Roan gathered seventeen pages of questions from the group. PNDSA staffers Sarah and Laura obtained answers to all the questions and distributed them to Senator Lieberman’s work group.

In the opinion of Wittman Consulting, the proposed Bingham/Spector Bill won’t provide many advantages for the agricultural community. However, Senator Warner, co-author of the Lieberman/Warner Bill (*Senate Bill S.280*), is retiring in 18 months, and has said that passage of S.280 Bill is his top priority before he retires.

**Question from Paul Mann:** Is carbon-credit selling being done independently, or is PNWDS an aggregator?

**Answer from Dick Wittman:** PNDSA is an aggregator, and is actively soliciting carbon credits from direct-seed farmers



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society

2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

### *Minutes*

**Question from Jane Wittmeyer:** Is PNDSA doing anything like this with forest lands?

**Answer from Dick Wittman:** No, but the Nez Perce Tribe is active. Dick sees lots of potential in Idaho's forest lands.

**Question from Claude Bruce:** Where is the market directed? US or Foreign?

**Answer from Dick Wittman:** Only the US is involved so far. Until the US becomes part of a climate change treaty (such as the Kyoto Protocol), we cannot participate in any potential trades with Australia or other interested countries. European prices for carbon are currently \$8.00 per ton, while the US is only paying \$2.10 per ton to its landowners. Prices are determined using data from 2003 – but there may be an opportunity to go back more years to increase the price. 1990 is the baseline year, but that is subject to change.

**TRAVIS McLING**, representing the INL, was unable to attend, but Mike Hoffman reported on INL's activities in geologic sequestration.

The Big Sky Partnership is currently involved in trying to get a test site in Idaho for injecting carbon into mafic rock for long-term storage. Per the Committee's request, Dr. Sian Mooney reviewed the basics of geologic vs. terrestrial sequestration. Geologic sequestration is very expensive and energy-intensive. This procedure could earn \$50-60 per metric ton for geologic sequestration – lots of potential, but pretty cost-prohibitive for right now. INL is looking at the engineering aspect of the process.

**Forestry Report from Richard "Tiny" Furman, IDL** -- Carbon Sequestration in the News – Monthly newsletter has technical info on deep-geologic sequestration at <http://www.idl.idaho.gov>

Tiny emphasized the need for high-quality and accurate calculations for measuring carbon content of various biomass. The Idaho Department of Lands (IDL) is concerned about lost management flexibility due to future carbon trading.

**Sian Mooney** emphasized the difference between terrestrial and geologic sequestration – they're NOT THE SAME, and there is a lot of misinformation about drilling holes into the earth, which some people think may cause earthquakes, etc. Environmental groups such as the Audubon Society are also concerned about well-meaning people planting the wrong kind of trees in Idaho's very diverse climates and elevations.

**Question from Claude – Is the ICSAC to develop another subsidy for farmers?**

A: The protocol/framework is neutral – the idea is to develop a source for carbon trading – we could serve the same purpose as a Title Company does for the real estate industry. Mike Hoffman envisions the State doing public outreach and education on this topic. The State has no plans to become an aggregator or a carbon trader.



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd  
Boise, ID 83712-8250

9:00 AM – 3:00 PM

### Minutes



Per Brian, the major criticism he's heard is that carbon trading is only a way for farmers to make money by NOT farming, but doesn't really help the environment. However, carbon trading can help the environment, along with providing a way for farmers and foresters to get extra income. The Federal and State government already subsidizes the establishment and protection of wetlands and other environmentally-friendly programs.

Q: Does the government need to be involved in the marketplace? Brian doesn't think the State or Federal government should be a major promoter, but should act as a regulatory body only.

**Jay O'Laughlin** asked Dr. Mooney a question about the European Union Emissions Trading Scheme (EUETS) – she reported that the word 'scheme' doesn't have any nefarious connotation in Europe – it simply means a plan of work.

Jane Wittmeyer's organization (Intermountain Forestry) is interested in assuring a long-term supply of timber. *Potlatch Forest Capital* came into Idaho to grow trees because the climates of Idaho's forestlands produce stronger and faster-growing trees better than many other areas. *Forest Capital* wants to manage forests, and keep the areas forested.

### **Tony Bennett's report from the Ag Subcommittee**

There are four major areas of focus since the last meeting in November 2006:

1. The Framework document – History and overview
2. Working with PNDSA
3. Pilot Projects
  - a. Cropland – need approved cropland designation from the Chicago Climate Exchange (CCX)
  - b. Ag Subcommittee is pursuing this issue
  - c. Rangeland Pilot project is in the works in Southeast Idaho
4. Legislative needs:
  - a. More contacts needed
  - b. Reviewed need for user-friendly website, carbon encumbrance registry, and educational outreach

**Paul Mann's report on Ethanol plants** -- underground storage tanks failed and were removed. Above-ground storage tanks were installed. *Blue Sky Biodiesel* is losing money. Paul has toured the area with potential biofuel investors.

Per John Crockett – The Idaho Legislature allocated \$700,000 in grant money to establish biodiesel production and distribution in Idaho. Fifteen applicants have applied for this grant money so far. Idaho Falls currently has biodiesel fuel available for sale, and Pocatello also has a station available to dispense biodiesel.

The next meeting with the oil-seed growers is scheduled for December 5. Canola is raised in Idaho – Idaho also raises safflower, but these crops need considerable irrigation in Idaho's dry climate.

# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd  
Boise, ID 83712-8250

9:00 AM – 3:00 PM

*Minutes*



Per Jane Wittmeyer: Treasure Valley farmers are currently prohibited from planting canola/rapeseed crops, because of the potential for cross-pollinating with the vegetable seed fields in the Treasure Valley. Buhl, Idaho plans to process 1000 metric tons of canola oil seed.

### **Report from Brian Kummet, Nez Perce Tribal Forestry (presented by Mike Hoffman in Brian's absence)**

Update on the status of our Projects:

- The "Desk Audit" required by the CCX that we discussed at last year's meeting was completed, approved by the auditor and subsequently by the CCX.
- The *Nez Perce Tribal Executive Committee (NPTEC)* approved approximately 75% of our portfolio (Fire Rehabilitation Projects and Forest Development Projects) to be listed and sold on the CCX.
- The Contract with the National Carbon Offset Coalition (NCOC) authorizing this action was signed by the Tribal Chairman on July 18, 2007 for the years 2003-2010 on approximately 2205 acres.
- The NPTEC thoughts behind not authorizing all of the acres was basically not to put all of our eggs in one basket (*even though there is currently no other basket*) so we held out all of the Agricultural Conversion Projects.
- Although I have not spoke with Ted Dodge (NCOC) recently regarding the status of the sale, we received a brief letter from him last Friday on another item, but Ted did mention that the prices on the CCX have dropped off and they were holding the portfolio until the prices were more favorable.

**Wayne Newbill – ONEPLAN Coordinator** presented an overview of Idaho's OnePlan, and more information can be accessed at their website:

<http://www.oneplan.org/>

**OnePlan is an online database to allow participants to write their own conservation plans on their own piece of ground.** NRCS programs and protocols are addressed for each particular piece of land. Pennsylvania and Hawaii are also interested in using Idaho's OnePlan as a model for their Ag participants.

ISDA requested wildfire management info to be posted on the web. Farmers cannot do carbon sequestration on their own, but would like help from NGOs and other State or Federal agencies.

Claude Bruce stressed that more employees should be funded by the Legislature to run the website, train consultants, provide public outreach and travel reimbursement funds, and develop educational PowerPoint presentations. Private consultants are expensive, and Claude would like to see State or District employees trained for these tasks. We also need someone (a body) to register the trades and track the information in a database.



# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society

2205 Old Penitentiary Rd

Boise, ID 83712-8250

9:00 AM – 3:00 PM

### Minutes

Sian suggested contacting the extension services to see about a person to manage the web page and get the message out to the public.

### Discussion regarding the draft Framework document –

---

Jay says our document is missing something – What questions does this report address? There are no FOCUS QUESTIONS.

Can we develop about five questions? The document is way too academic, and we need some organizing points.

**Q from Sian Mooney:** Why does Idaho need to develop its own market infrastructure, if there is going to be a Federal protocol?

A: Tony replied that we don't know how long it will take for the Feds to develop a program, and Idaho needs to move forward along with other states who are actively involved in trading

Jane Wittmeyer's group didn't approve of California's carbon offset plans, and doesn't want Idaho to follow along blindly, but to develop something that would help our unique environment, as well as represent both Forestry and Ag interests. Tiny said that Oregon State University planned to run Oregon's program, with State foresters working as aggregators – Idaho foresters don't particularly want to become aggregators, though.

Comments from the group are sought, and NW Management (Vinnie) wants to do a peer review of the Framework document, so they can recycle this information for upcoming projects in other State and Federal programs. Jay O'Laughlin and Vinnie are well-acquainted, and Jane will try to work with Vinnie to see about setting up a pilot program for forestry.

**Q from Paul Mann –** *if a Carbon Trading Protocol is presented to the Legislature, who will craft the Bill itself?*

Per Tony – we wanted to present this to the 2007 session, but it just wasn't ready for review. The Senators worked with Tony and Jerry Nicolescu to determine what steps should be taken to receive appropriations for FTE(s) to develop the CEI database for the website and public outreach.

Jay cautioned that we should never release DRAFT documents to the public – only to members of the peer review. Should the Framework document be removed from the Idaho Soil Conservation Commission's web page? Yes, per Tony Bennett.

Aforestation is a definite practice, but managing existing forests or crop/rangelands is trickier.

Jay again encouraged brevity in the Framework document: **What are the six major points of this Framework?** Legislators will not want to wade through a 32-page

# IDAHO CARBON SEQUESTRATION ADVISORY COMMITTEE

## Annual Meeting

Thursday, November 15, 2007

Idaho Historical Society  
2205 Old Penitentiary Rd  
Boise, ID 83712-8250

9:00 AM – 3:00 PM

### *Minutes*



document designed for an audience of academics. Jay recommended the development of a white paper or abstract of the document.

Jane stated that there needs to be a roll-out strategy to present this subject to the Legislature. Jane is willing to work with Jerry Nicolescu and Celia Gould (or her delegate) to present this lobbying effort for the 2008 Legislative session. Jane says we need a representative from Forestry, Rangeland, and Farmers. We basically need money to fund an employee who can manage the website and register the potential trades.

There being no further business to discuss, the meeting was adjourned at 2:22 PM.

Respectfully submitted,

Carol P Youtz,  
Administrative Assistant  
Idaho Soil Conservation Commission